

NOTICE OF HAYES COUNTY SCHOOL LAND LEASE SALE

Notice is hereby given that an authorized representative of the Board of Educational Lands and Funds of the State of Nebraska will offer for lease at public auction on the day and time set forth below, at the office of the County Treasurer of Hayes County in Hayes Center, Nebraska, the following educational lands within said County:

DATE: February 10, 2022

TIME: 10:00 a.m.

In the event of inclement weather and/or bad roads, the Board's Field Representative may postpone the sale until February 17, 2022, at 10:00 a.m. If this occurs, the County Treasurer and the Board's Lincoln Office will both be notified at least 90 minutes prior to the originally scheduled sale time.

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC.TWP.RGE</u>	<u>2022 RENTAL</u>	<u>LEASE EXPIRATION</u>
29b	S1/2 (320 acres, more or less)	36-06-34	\$8,082.00	December 31, 2033

Predominant Land Use: CRP grassland

This tract is located 4 miles south and 5 miles west of Hayes Center, NE.

Improvements to be sold include: None.

Trust Owned Improvements: 110 rods of fence.

STIPULATION: This parcel includes 269.4 acres that were previously enrolled in the Conservation Reserve Program. Lessee will, once eligible, immediately apply for a new Conservation Reserve Program (CRP) Contract on these 269.4 acres for a 10-year period beginning October 1, 2022, and ending September 30, 2032. It is estimated that these acres will be accepted at a bid of up to \$50.00 per acre per year, for a total of up to \$13,470 annually on the entire 269.4 acres, with the first Federal payment to be made for this CRP Contract after September 30, 2023, and the last Federal payment to be made for this CRP Contract after September 30, 2032. The cash rent for said 269.4 acres enrolled in the CRP shall be \$45.00 per acre per Contract year, or 90% of the actual accepted CRP Contract bid, whichever is higher. If Lessee is not eligible to enter into a CRP Contract effective October 1, 2022, then Lessee will, once eligible, immediately apply for a new Conservation Reserve Program Contract effective October 1, 2023, and all Federal payments and obligations for the CRP, will be delayed by one calendar year. The cash rent on the 269.4 acres for calendar years 2022 and 2023 only, will be \$30.00 per acre per year, unless these acres are under a Federal CRP Contract during calendar year 2023, in which case the cash rent for said 269.4 acres shall be the greater of \$45.00 per acre or 90% of the CRP Contract payment. The existing grassland cover, for calendar years 2022 and 2023, if not entered into the CRP, cannot be hayed, grazed or otherwise used without prior written consent from the Board. If haying or grazing is allowed by the Board, the Lessee will be responsible for maintaining suitable grassland cover in satisfactory condition so as to be accepted by the FSA into the Conservation Reserve Program. A written haying or grazing plan will be required before any haying or grazing activities commence, which must be approved by the Board in writing after the Lessee consults with the Board's Field Representative and the NRCS wildlife biologist. Any damage to the existing cover that may require reseeding and/or upgrading the condition of the leased property, in order for it to be accepted into the CRP, will be completed at the Lessee's sole and exclusive cost and expense. The Lessee shall abide by, fully perform and conform to all requirements and specifications of the Federal CRP Contract and the Conservation Reserve Program at all times, and shall defer these 269.4 reseeded acres from use during the entire term of this CRP. Lessee will receive 100% of the CRP payments for all of the years of this CRP Contract up to September 30, 2032 or September 30, 2033, whichever is applicable. Lessee shall timely perform any management practices on the enrolled acres, according to the Conservation Plan of Operation (CPO), and all to specifications agreed to in advance, in writing, by the Board's Field Representative and in conformance with the CRP. All costs and expenses of any CRP management practices not paid for by federal cost-share funds under and pursuant to the CRP, shall be paid for by Lessee and reimbursed by the Board to the Lessee upon a showing that the requirements for this Federal CRP Contract have been satisfactorily completed and all expense and cost-share payments are adequately documented and presented within a reasonable length of time. The Board will supply the chemicals necessary to treat the noxious weeds on all of the land entered into the CRP and provide detailed instructions for the chemical application. Lessee will furnish, at Lessee's sole and exclusive cost and expense, all labor and equipment necessary to apply the chemicals and will apply the chemicals timely and in exact accordance with the instructions provided by the Board. When necessary to apply the recommended chemical, the Lessee will provide a NE Department of Agriculture Pesticide Applicator ID number, or contract with a commercial applicator, to apply the chemical at Lessee's expense. Lessee shall not hay, graze or otherwise use any of the 269.4 reseeded acres at any time during the term of any CRP Contract, unless such use is authorized by the federal government, and also authorized in writing by the Board, before it occurs. If any use of the 269.4 acres under CRP Contract is so authorized by the Board, additional cash rental may be charged for such use as determined by the Board at the time of the authorization. Should these acres not be accepted into the Federal Conservation Reserve Program, or the accepted bid amount or CPO requirements are not acceptable to the Board of Educational Lands and Funds, the CRP may, at the discretion of the Board, be rejected, and the use of the land and associated rental for the Lease determined at that time. If these acres are accepted into the CRP, Lessee will be required, at the discretion of the Board, to re-enter these acres into a new CRP Contract effective October 1 of the last year of the existing CRP Contract, and Lessee must sign a waiver of interest to any CRP payments/benefits accrued or payable after September 30, 2033, unless Lessee is the successful bidder at the next Lease or Land sale auction for this real estate. If these acres are not re-enrolled into a new CRP term, and upon the Board's request, Lessee shall apply for EQIP cost share funds no later than the last year of the CRP Contract, for establishing fence and water sources on this

property, and if not the successful bidder at the next Lease or Land sale auction for this real estate, Lessee will assign any remaining EQIP payments to whoever the Board designates. This Lease shall be subject to forfeiture (termination) for failure on the part of Lessee to abide by, fully perform and conform to all terms, provisions, covenants, conditions, requirements and specifications of this Lease, the Federal CRP Contract and the Conservation Reserve Program; and upon any such forfeiture (termination), Lessee must assign to the successive Lessee all remaining federal payments under and pursuant to the CRP pertaining to the 269.4 reseeded acres enrolled in the CRP which would have been payable to Lessee in the absence of such forfeiture of this Lease.

Any item(s) listed above as “personal property” are subject to removal by the previous lessee. All right, title and interest in any items listed as “Trust owned”, shall remain with the School Land Trust.

To be eligible to bid on a school land lease, you must be able to contract in accordance with Nebraska Law and have deposited with a representative of the Board, or with the County Treasurer of the County in which the land is located, a bank draft, cashier’s check, certified check or money order made payable to the Board of Educational Lands and Funds equal to the 2022 rental of said tract. Said rental deposit may be submitted at any time until the tract is announced “Sold”. Due to the Covid 19 pandemic, only the designated bidder will be allowed in the auction. Any additional lessee may be added to the Lease by proper Power of Attorney, or by assignment after the auction.

If more than one qualified bidder is interested in a lease, it will be sold subject to Board approval, to the party bidding the highest bonus, in addition to the first year’s rent, at the auction. Bonus bids must be paid to the Board of Educational Lands and Funds immediately following the auction. Bonus bids are a one-time payment covering the entire term of the lease.

All sales of educational land leases at public auction are non-revocable offers from the bidder, which shall become binding contracts only upon acceptance and approval by the Board of Educational Lands and Funds. Leases will be upon acceptance and approval by the Board.

Leases will be issued only to those who sign the “Lease and Application” in person or through an Attorney-In-Fact who presents a Power of Attorney at the time of the auction. A sample Power of Attorney form is available on the Board’s website. Lease assignments submitted to the Board within 30 days of the auction will be processed without fee. The Board’s standard form lease sets out the terms of the lease of the real estate to which this notice pertains; provided, however, any additional stipulations pertaining specifically to this real estate, which are included in this notice, shall become a part of the complete terms of the lease pertaining to this real estate. The Board’s standard form lease may be inspected at the County Treasurer’s office or on the Board’s website and a copy, which includes any additional stipulations pertaining to this real estate, can be obtained by contacting the Board’s Lincoln office or the Field Representative for this county named above.

The successful bidder shall, within thirty days of the date of Board approval, pay the amount of the value of the improvements (and growing crops, if applicable) as stated above, to the County Treasurer of the County wherein the land is situated. If such payment is not made on time and in full, all payments made by the successful bidder to the Board may be declared forfeited and a new lease or sale of the land may be authorized. All improvements affixed to the land which are not listed above are and shall remain owned by the School Trust. No improvements shall be placed on the land by Lessee without the prior written approval of the Board; and any improvements made by Lessee without the prior written approval of the Board shall be permanently owned exclusively by the Board.

All monies received by the Board’s agents will be deposited subject to approval of the lease by the Board of Educational Lands and Funds. In the event a lease is not approved, the appropriate refunds will be issued.

All County Farm Service Agency information for the Board of Educational Lands and Funds is public information and is obtainable by contacting the local office.

Rental is subject to change by the Board semi-annually at any time during the term of the lease.

Your attendance at this auction is at your own risk. The Board of Educational Lands and Funds shall not be liable for any exposure to, or contraction of, any illness or injury. The Board of Educational Lands and Funds reserves the right to restrict attendance at this auction. Masks may be required for all attendees, and will be provided, if necessary.

For further information contact:

BOARD OF EDUCATIONAL LANDS AND FUNDS	
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